

# THE LENDER'S ADVANTAGE

January 2012

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## SBA BALTIMORE DISTRICT OFFICE

### **Lender Service Providers Can Help With More Than Just Loan Packaging**

Does your bank use a loan packager for your SBA loans? Would you like for them to assist with more than packaging origination, disbursing, servicing or liquidating)? They may do so as a *Lender Service Provider* (LSP), with the proper agreement in place. These agreements need to be signed between the bank and LSP, and then forwarded to SBA's Loan Guaranty Processing Center for review and approval. Since Oct 1, all delegated lenders (PLP, Express) are required to use E-Tran to

submit loans. Once agreements are in place, these lender service providers can serve as an agent of the bank and submit loan applications via E-Tran on behalf of the bank. In 2012, 7a loans can be submitted via E-Tran so this could speed up processing whether submitted by lender or LSP.

The lender must be able to maintain and demonstrate that it has day-to-day responsibility of the SBA portfolio. See SOP 50 10 5 (D) pages 173,174 for details. Contact Ed Knox or Mark



Williams at:

[edward.knox@sba.gov](mailto:edward.knox@sba.gov) /  
410-962-6195 ext 309, or

[mark.williams@sba.gov](mailto:mark.williams@sba.gov) /  
410-962-6195 ext 303.

### **SBA Accepting Nominations for Small Business Innovation Awards**

The SBA is seeking nominations for awards honoring the critical role small businesses play in federally funded research and development through SBA's Small Business Innovation Re-

search (SBIR) and Small Business Technology Transfer (STTR) programs.

Three awards will be given, one for companies that have participated in the SBIR/STTR pro-

grams, one for individuals who advocate on behalf of the programs, and a third "Hall of Fame" award for companies that have sustained success of research, innovation, and product commercialization within the SBIR or STTR program. Nominations close January 31, 2012. To submit a nomination, visit [tibbetts.challenge.gov](http://tibbetts.challenge.gov) (Tibbetts Awards – companies and individuals) and [sbirhof.challenge.gov](http://sbirhof.challenge.gov) (Hall of Fame Awards).

#### **Inside This Issue:**

From the District Director's Desk	2
FYI	2
Banking News	3
Upcoming Events	3
2012 Credit Connections Training Schedule	4
Lender Rankings	5
How to Reach Us	6



**District Director's Desk:****When was the last time your office had a personal visit from the SBA?**

If you would like to have someone from our office go over the various SBA loan programs or provide specific details on a loan program at your location please let us know. We can meet with an individual lender or a group of commercial lenders during a staff meeting. We have met with groups of branch managers at a central location or a single manager at the local branch. Let us know how we can assist you with your SBA loan program. This costs you nothing but a little time and can provide you with the tools to better able assist your small business client.

M&T Bank is still in the lead at the end of the 1st quarter of the fiscal year.

Chesapeake Business Finance Corp is now leading the 504 CDC lending while SECU is now in the lead as the 3rd Party Lender for the 504 program.

Turn to page 5 for details on our lending numbers.



*Stephen D. Umberger  
District Director, Baltimore*

**FYI:**

**Small Business Assistance:** Bryan Smith is a consultant, at the Western Region Small Business Development Center (SBDC). Bryan provides business management services to business owners in Frederick County, Maryland. Bryan just joined the SBDC in August. He has an MBA, with an Entrepreneurship minor. He has worked in a variety of capacities in the financial sector, and specializes in International Finance. With over 20 years of business experience Bryan will assist business owners with their start-up and growth needs. He is currently an adjunct instructor at Frederick Community College, and is pursuing his CPA designation.

Bryan can be contacted at 301-600-1967 or [bsmith@frederickcountymd.gov](mailto:bsmith@frederickcountymd.gov).

If you know a business owner who needs counseling, or assistance in another part of the state, have them contact either SCORE at 800-634-0245 and <http://www.score.org/index.html> or the SBDC at 877-787-7232 and <http://www.mdsbdc.umd.edu/> for "FREE" one on one business consulting assistance.

**Banking News:**

The **SBA Quick Reference Loan Chart** has been updated to include all of the recent changes. It is a great tool which gives you the ability to understand the basics on most of the SBA loan programs. It also allows you to quickly see if one of the loan programs may be a good fit for your business client. The SBA Quick Reference Loan Chart can be accessed at <http://www.sba.gov/content/loan-program-quick-reference-guide>.

### Upcoming Events:

**Credit Connections Commercial Lender Training Sessions - 2012:** January - May 2012, Meet with representatives from the US Small Business Administration (SBA), USDA, Maryland DHCD and DBED. Learn about the various loan programs and how you can structure a deal with these programs. All sessions are 8:30am til 11:00 am. Continental breakfast from 8:30 til 9:00am with training from 9:00am til 11:00am. We need a minimum of 10 attendees registered the week before in order to have the session. **Sign up now so your session won't be canceled or filled.** Dates and locations on page 4. (\$30 fee) To register: <http://creditconnections2.eventbrite.com/>

For More Info: Contact Delterese George @ 410-767-0438 / [dgeorge@choosemaryland.org](mailto:dgeorge@choosemaryland.org)

**April 13, 2012, Small Business Week Awards Luncheon at Martin's West, Woodlawn, Md.**

### **Let's Do Lunch!**

We wanted you to be the first to know that the **Annual Maryland Small Business Week Awards** Program is now a luncheon. Mark your calendar for lunch on **Friday, April 13, 2012** at Martin's West in Woodlawn, MD. Join us as we celebrate the achievements of Maryland's small business owners and the valuable contributions of their supporters, the champions of small business.

Honorees will include the Maryland winners of the SBA's National Small Business Week Awards Program and the Baltimore District Office's Top Ten Lenders from Fiscal Year 2011. The event will include award presentations, a trade show and plenty of networking opportunities with state, federal and local representatives, lenders and fellow small business owners.

Don't miss the premier small business awards event of the year. Stay tuned for future announcements or contact Rachel Howard at (410) 962-6195, Ext. 330 or by email at [rachel.howard@sba.gov](mailto:rachel.howard@sba.gov).

#### **SBA Baltimore District Office October 1, 2011 - December 31, 2011**

<b><u>3rd Party Lender 504 Name</u></b>	<b><u># Loans</u></b>	<b><u>Amount</u></b>
State Empl CU of Maryland Inc	1	4,500,000
Frederick County Bank	1	2,150,000
Severn Savings Bank, FSB	2	1,909,250
Mid-Atlantic FCU	1	1,687,500
CommerceFirst Bank	2	1,485,000
Congressional Bank	1	1,172,500
Carrollton Bancorp	1	1,025,000
Branch Banking and Trust Company	1	687,500
Bank of America, National Association	1	527,500
Carrollton Bank	1	400,000
PNC Bank, National Association	1	270,724
<b>Total 3rd Party 504</b>	<b>13</b>	<b>\$15,814,974</b>

**Credit Connections Commercial Lender Training Sessions - 2012**

See page 3 for registration information. Confirm your seat today!

January 10, 2012 8:30 am til 11:00 am	<b>WorWic Community College</b> 32000 Campus Drive
January 11, 2012 8:30 am til 11:00 am	<b>Chesapeake College</b> Wye Mills, Maryland 21679
January 19, 2012 8:30 am til 11:00 am	<b>Federal Reserve Bank of Richmond</b> 502 S. Sharp Street
March 28, 2012 8:30 am til 11:00 am	<b>Allegany College of Maryland</b> 12401 Willowbrook Road SE
March 29, 2012 8:30 am til 11:00 am	<b>Hagerstown Community College</b> 11400 Robinwood Drive
April 11, 2012 8:30 am til 11:00 am	<b>Carroll Community College</b> 1601 Washington Road
April 12, 2012 8:30 am til 11:00 am	<b>MT St. Mary's</b> 5350 Spectrum Drive – Frederick
April 24, 2012 8:30 am til 11:00 am	<b>Anne Arundel Community College</b> 101 College Parkway
April 26, 2012 8:30 am til 11:00 am	<b>College of Southern Maryland</b> Corporate Center 8730 Mitchell Road
May 8, 2012 8:30 am til 11:00 am	<b>Harford Community College</b> 401 Thomas Run Road -

**Baltimore District Office Lender Rankings:** October 1, 2011—December 31, 2011

<u>Lender Name 7a</u>	<u># Loans</u>	<u>Amount</u>
MANUFACTURERS & TRADERS TR CO	43	5,792,800
HANA SMALL BUS. LENDING INC.	2	2,750,000
CECIL BANK	1	2,640,000
MID-ATLANTIC FCU	1	1,840,000
HOWARD BANK	6	1,650,000
TD BANK, NATIONAL ASSOCIATION	1	1,601,000
HAMILTON FEDERAL BANK	2	1,230,000
BANK OF AMERICA NATL ASSOC	3	1,085,000
THE BANCORP BANK	1	807,000
PNC BANK, NATIONAL ASSOCIATION	5	652,200
SUNTRUST BANK	2	565,000
BRANCH BK. & TR CO	7	521,800
THE COLUMBIA BANK/FULTON BANK NATL ASSOC	3	500,000
COMMERCEFIRST BANK	5	500,000
WILSHIRE STATE BANK	1	384,000
WELLS FARGO BANK NATL ASSOC	4	379,000
NORTHWEST SAVINGS BANK	1	360,000
CAPITALSOURCE BANK	1	302,000
WILMINGTON SAVINGS FUND SOCIET	1	240,000
SPIRIT OF TEXAS BANK, SSB	1	207,600
FIRST FINANCIAL BANK	1	161,000
CARROLLTON BANK	1	50,000
HEBRON SAVINGS BANK	1	36,600
SOVEREIGN BANK	2	32,000
SUPERIOR FINANCIAL GROUP, LLC	1	7,500
<b>Total 7(a)</b>	<b>97</b>	<b>\$24,294,500</b>

<u>Lender Name 504</u>	<u># Loans</u>	<u>Amount</u>
CHESAPEAKE BUS. FINAN CORP	4	5,495,000
BUSINESS FINANCE GROUP, INC.	9	5,160,000
<b>Total 504</b>	<b>13</b>	<b>\$10,655,000</b>
<b>Grand Total 7a and 504</b>	<b>110</b>	<b>\$34,949,500</b>

*All SBA programs and services are extended to the public on a nondiscriminatory basis.*

**Edward Knox**

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Follow the SBA on:



You Tube

[www.sba.gov/md](http://www.sba.gov/md)

**Helping small businesses start, grow and succeed**

## How to Handle a “Screen-Out Letter” From The SBA Processing Center

**A screen out letter is not a decline. It is just a request for information or clarification.**

The processing center will often call or email before they send out a screen out letter. If you can respond promptly you can avoid the screen out letter and the delay in getting your loan approved.

**How to respond to a screen out letter:**

**When submitting your response please use one of the following methods:**

There are four ways a lender can submit an application or a response to a screen out/decline letter (for 7a, CAPLine, DFP, and S/RLA loans). In order of preference they are:

1. Use “Send this File”. This is the most preferred method because it is easy to use, does not have file size limitations, and can be accessed by several SBA personnel.

- To send it this way: Go to <http://www.sba.gov/content/send-file> and click “Send a file to the LGPC - CA”, enter the required information and attach the files.

2. E-mail it to the standard 7a program in box. This option works fine as long as the total file size does not approach 8 meg in size. If the file size nears or exceeds 8 megs, the e-mail may or may not go through. Often neither the sender nor SBA will be notified that it did not go through.

The e-mail address is:

[7aLoanProgram@sba.gov](mailto:7aLoanProgram@sba.gov).

3. Mail it to us. (Please note: You save postage and time if you email your application or response.)

**Standard 7a Loan Guaranty Processing Center**

**6501 Sylvan Road, Suite 122**

**Citrus Heights, CA 95610**

4. Fax it to our fax server. This option will work for larger files, but it can be a bit cumbersome to work with. The fax # is: (916) 735 -1975.